



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Central Bank, Stillwater, Minnesota, Assumes All of the Deposits of Jennings State Bank, Spring Grove, Minnesota

FOR IMMEDIATE RELEASE

Jennings State Bank, Spring Grove, Minnesota, was closed today by the Minnesota Department of Commerce, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Central Bank, Stillwater, Minnesota, to assume all of the deposits of Jennings State Bank.

The two branches of Jennings State Bank will reopen on Saturday as branches of Central Bank. Depositors of Jennings State Bank will automatically become depositors of Central Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branch until they receive notice from Central Bank that it has completed systems changes to allow other Central branches to process their accounts as well.

This evening and over the weekend, depositors of Jennings State Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of July 31, 2009, Jennings State Bank had total assets of \$56.3 million and total deposits of approximately \$52.4 million. Central Bank did not pay the FDIC a premium



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-180-2009

for the deposits of Jennings State Bank. In addition to assuming all of the deposits of the failed bank, Central Bank agreed to purchase essentially all of the assets.

The FDIC and Central Bank entered into a loss-share transaction on approximately \$37.7 million of Jennings State Bank's assets. Central Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:
<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-528-6215. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Saturday from 9:00 a.m. to 6:00 p.m., CDT; on Sunday from noon to 6:00 p.m., CDT; and thereafter from 8:00 a.m. to 8:00 p.m., CDT. Interested parties also can visit the FDIC's Web site at
<http://www.fdic.gov/bank/individual/failed/jennings-mn.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$11.7 million. Central Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Jennings State Bank is the 97th FDIC-insured institution to fail in the nation this year, and the fourth in Minnesota. The last FDIC-insured institution closed in the state was Brickwell Community Bank, Woodbury, on September 11, 2009.

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